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for herself and persons similarly situated

SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA
UNLIMITED JURISDICTION

SAVANNAH THOMPSON, individually, and) Case No.
on behalf of others similarly situated,)

Plaintiffs,)

v.)

JOHN MUIR HEALTH, a California)
corporation, and DOES 1-100, inclusive,)

Defendants.)

CLASS ACTION

COMPLAINT FOR INJUNCTIVE RELIEF,
RESTITUTION, AND DAMAGES FOR
(1) DECLARATORY RELIEF
(2) CONSUMER LEGAL REMEDIES ACT
(3) ROSENTHAL FAIR DEBT
COLLECTIONS PRACTICES ACT
(4) UNFAIR COMPETITION LAW

JURY TRIAL DEMANDED

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1 Plaintiff SAVANNAH THOMPSON, by and through her attorneys, bring this
2 action on behalf of herself and all others similarly situated against the above-named
3 defendants, demands a trial by jury on all claims so triable, and allege on information and
4 belief as follows:

5 I. INTRODUCTION

6 1. Plaintiff Savannah Thompson, on behalf of herself and persons similarly
7 situated, seeks class-wide relief against Defendant John Muir Health, Inc. (“JMH”) for its
8 practice of charging—and balance billing¹—unconscionable amounts for routine urine
9 drug screenings. The drug screening at issue is identified as Current Procedural
10 Technology (“CPT”) Code 80307, “LAB DRUG SCREEN URINE” (JMH charge code
11 30100463) (hereafter, the “Service”). JMH routinely administers the Service to its
12 Emergency Department (“Emergency”) patients.

13 2. Specifically, JMH charged, and balance billed, Plaintiff \$6,095.70 for the
14 Service, which it undertook in connection with her visit to the JHM Walnut Creek
15 Emergency on June 14, 2022.

16 3. The charge for the Service was *substantively* unconscionable because it
17 grossly exceeded the fair value of the service performed by any standard. By way of
18 example, the corresponding Medicare reimbursement amount for the Service is \$62.14.
19 As a rule of thumb, in medical billing practice, 135%-140% of a Medicare reimbursement
20 allowance is considered reasonable. Here, JMH is charging roughly 10,000% of the
21 Medicare rate.

22 4. The charge for the Service was *procedurally* unconscionable because it was
23 imposed by JMH—a party with immensely superior bargaining power in an emergency
24 situation—pursuant to a vague “take it or leave it” consumer adhesion contract which
25 JMH requires patients to sign in order to obtain Emergency services.

26
27 ¹ “Balance Billing” is the practice of billing a patient for the difference between the amount
28 billed by the medical provider for a service and the amount paid by the patient’s insurance for
the service. *See Prospect Med. Grp. Inc. v. Northridge Emergency Med. Grp.*, 45 Cal. 4th 497,
502 (2009).

5. Further, because the Emergency contract with JMH patients does not state or incorporate the price of the Service (or any services), nor provide any way for patients to ascertain them, it is an “open price term” contract under California law such that JMH is entitled only to the reasonable value of the Service in the first instance. *See* Cal. Civil Code § 1611.

6. JMH's practice of billing unconscionable amounts for the Service violates California law, including the Consumer Legal Remedies Act, Cal. Civ. Code §§ 1750, *et seq.* (the "CLRA"). *See* Cal. Civ. Code § 1670.5; Cal. Civ. Code § 1770(a)(19). It is also unlawful for JMH to "balance bill" insured Emergency patients for amounts their insurers do not pay. *See Prospect Med. Grp.*, 45 Cal. 4th at 502. These billing practices constitute, *inter alia*, unlawful, unfair, and fraudulent business practices under California's Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.* (the "UCL"). Collection of debts resulting from these billing practices violates California's Rosenthal Fair Debt Collection Practices Act, Cal. Civ. Code §§ 1788, *et seq.* (the "Rosenthal Act").

II. PARTIES

7. Plaintiff SAVANNAH THOMPSON (“Plaintiff”) is a resident of Contra Costa County, California.

8. Defendant JOHN MUIR HEALTH (“JMH”) is California non-profit corporation with headquarters and principal place of business in Contra Costa County, California.

9. Plaintiff is not aware of the true names and capacities of the defendants sued as Does 1-100, inclusive, and therefore sues these defendants by such fictitious names. Each of these fictitiously named defendants is responsible in some manner for the activities alleged in this complaint. Plaintiff will amend this complaint to add the true names of the fictitiously named defendants once they are discovered.

10. Plaintiff alleges on information and belief that at all times relevant hereto each of the defendants, including each Doe, was the agent, principle, servant, master, employee, employer, joint-venturer, partner, successor-in-interest, and/or co-conspirator of each other

1 defendant and was at all said times acting in the full course and scope of said agency,
2 service, employment, joint venture, concert of action, partnership, successorship, or
3 conspiracy, and that each defendant committed the acts, caused or directed others to commit
4 the acts, or permitted others to commit the acts alleged in this complaint.

5 **III. JURISDICTION AND VENUE**

6 11. The California Superior Court has jurisdiction over this action pursuant to
7 California Constitution Article VI section 10, which grants the Superior Court “original
8 jurisdiction in all causes except those given by statute to other trial courts.” No other basis of
9 jurisdiction exists or is implied in this case, which presents California state law claims regarding
10 California transactions conducted in California.

11 12. Venue is proper in this Court because Defendants’ liability arose within the
12 jurisdictional region of this Court.

13 **IV. FACTUAL ALLEGATIONS**

14 **A. Hospital Billing Practices**

15 13. CPT Codes “are published annually by the American Medical Association and
16 comprise a comprehensive list of medical, surgical, and diagnostic services that is widely used in
17 the healthcare industry. By using particular codes in bills to insurance companies or patients, a
18 medical services provider represents that he/she/it has rendered the type of services described by
19 the codes used.” *YDM Mgmt. Co., Inc. v. Sharp Com. Med. Grp., Inc.*, 16 Cal. App. 5th 613, 617
20 (2017).

21 14. The particular CPT Code 80307 is used to identify testing for the presence of
22 drugs by chemistry analyzers. As a practical matter, it involves asking the patient for a urine
23 sample and testing that sample in a medical laboratory with a medical device. It is not typically a
24 complex or expensive task, as indicated by the Medicare reimbursement rate of \$62.14.² In
25 contrast, by way of example, CPT Code 80305 is used to identify testing for the presence of
26 drugs by direct observation (e.g., dipsticks, drug test cups, etc.) (the Medicare reimbursement
27

28 ² See <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched>.

rate is \$12.60) and CPT Code 80306 is used for testing for the presence of drugs by instrument assisted observation (the Medicare reimbursement rate is \$17.14).

15. Each hospital maintains a “uniform schedule of the charges it bills for all procedures, services, and goods provided to patients ... known as a charge master.” *Children's Hosp. Cen. Cal. v. Blue Cross of Cal.*, 226 Cal. App. 4th 1260, 1268 (2014). The California Department of Health Care Access and Information (“HCAI”) maintains a database of such “Hospital Chargemasters,” including JMH’s chargemasters for its Walnut Creek and Concord hospitals.³ Hospitals, including JMH, also typically publish their current chargemasters on their websites.

16. The chargemaster data for JMH Walnut Creek and Concord shows the uniform price for the Service for each year since June 1, 2018, as follows:

6/1/2018	LAB DRUG SCREEN-URINE	\$5,327.47
6/1/2019	LAB DRUG SCREEN-URINE	\$5,513.93
6/1/2020	LAB DRUG SCREEN-URINE	\$5,706.92
6/1/2021	LAB DRUG SCREEN-URINE	\$5,898.11
6/1/2022	LAB DRUG SCREEN-URINE	\$6,095.70

B. Plaintiff’s Emergency Encounter

17. On June 14, 2022, just after midnight, Plaintiff walked into to the JMH Walnut Creek Emergency seeking emergency medical care because she suspected she might have overdosed on an illicit drug. Specifically, she had been out drinking alcohol, voluntarily took a “bump” of what someone told her was cocaine, had an adverse reaction, and feared that she had inadvertently ingested fentanyl (an opioid). JMH Emergency staff evaluated her; gave her intravenous fluids, naloxone (an opioid antagonist), and an electrocardiogram. They took blood and urine samples and sent her home less than three hours after her arrival. On information and belief, the urine sample was sent to a different JMH location to undergo the Service, which did not occur until after Plaintiff had been discharged from the JMH Walnut Creek Emergency.

³ See data.chhs.ca.gov/dataset/chargemasters.

1 18. Plaintiff had Kaiser Permanente (“Kaiser”) health insurance through her
2 employer. She went to the JMH Walnut Creek Emergency instead of Kaiser because it
3 was closer, and she required immediate care. At the request of JMH Emergency staff,
4 Plaintiff provided them her Kaiser health insurance information. JMH billed Kaiser,
5 which paid JMH over \$6,000, for the services rendered to Plaintiff that night.
6 Additionally, at least one other provider separately billed Kaiser, and was separately paid,
7 for services rendered to Plaintiff that night in the JMH Emergency.

8 19. At the request of JMH staff, Plaintiff also executed a standardized one-page
9 form contract, which is attached and incorporated as **Exhibit 1**.

10 20. JMH staff presented the contract to Plaintiff as something she was required
11 to sign in connection with receiving Emergency services that night. The contract
12 includes, *inter alia*, a “Financial Agreement,” which provides in relevant part that “in
13 consideration of the services to be rendered to the patient, he/she hereby individually
14 obligates himself/herself to pay the account of the Facility in accordance with the regular
15 rates and terms of the Facility.” *Id.* The contract provides no other information about
16 rates or costs. *See id.*

17 21. About June 30, 2022, JMH sent Plaintiff an initial bill for the subject
18 Emergency services, which is attached and incorporated as **Exhibit 2**.

19 22. As indicated, the bill sought to collect a net total of \$7,084.57, in addition
20 to the amounts paid by Kaiser, for the Emergency services that JMH rendered that night.
21 *See id.* The bill categorized the services and prices as follows: Ekg/Ecg (\$467),
22 Emergency Room (\$5,882.25), Laboratory (\$9,757.77), and Pharmacy (\$160.70). It
23 reduced the gross total based on payments made to JMH by Kaiser (\$6,092.30) and
24 adjustments made to the bill pursuant to JMH’s agreement with Kaiser (\$3,090.85) in
25 order to reach the net total. *See id.* In other words, in addition to the \$6,092.30 that Kaiser
26 paid to JMH and the \$3,090.85 that JMH was required by contract with Kaiser to waive,
27 JMH sought \$7,084.57 *more* from Plaintiff.

23. Surprised by the amount of the bill, Plaintiff sought and received an itemization, which is attached and incorporated as **Exhibit 3**.

24. As indicated on the itemization, the bill included \$6,095.70 for the Service, identified as CPT Code “80307 ... LAB DRUG SCREEN-URINE.” *Id.*

25. About July 28, 2022, JMH sent Plaintiff a second bill for the subject Emergency services, which is attached and incorporated as **Exhibit 4**.

26. About August 25, 2022, JMH sent Plaintiff a third bill for the subject Emergency services, which is attached and incorporated as **Exhibit 5**.

27. All the JMH bills provided on the back side that “[b]alances not paid by your insurance are due within 21 days of the statement date ... If your account remains unpaid, it will be placed with a collection agency for the collection of your debt and reported to a credit reporting agency.” **Exhibits 2, 4-5, p. 2**.

28. The third JMH bill stated that the balance of the account was Plaintiff’s responsibility and “Past Due.” **Exhibit 5**.

29. Plaintiff is currently unable to pay the full JMH bill but has made partial payment.

30. Plaintiff alleges that the JMH charges for the Service were unconscionable relative to the services rendered and its actual value. As noted above, the Medicare reimbursement amount for the Service is \$62.14, and common rule of thumb is that 135%-140% of a Medicare reimbursement allowance is reasonable. On information and belief, in this geographical area a typical wholesale laboratory charge for the Service to a provider is in the range of \$30 (or less), a typical retail price to a patient for the Service is in the range of \$100 (or less), and a typical emergency department gross charge for the Service is in the range of \$600-\$700 (or less).

V. CLASS ALLEGATIONS

31. This class action is brought pursuant California law and section 382 of the California Code of Civil Procedure by the individual named Plaintiff on behalf of herself and the following classes and subclasses:

1 **The Urine Drug Screen Overcharge Class**

2 All person who within the four years preceding the filing of this complaint (a) received
3 medical services at JMH Emergency Departments and (b) whose bills for those medical
4 services included charges for the Service (the “Class”).

5 **The Balance Billing Subclass**

6 All Class members who had insurance that paid an amount less than JMH’s charges
7 billed for the Service.

8 **The Unfair Debt Collection Subclass**

9 All Class members who within one year preceding the filing of this complaint received
10 bills for the medical services that stated their accounts were past due.

11 32. Plaintiff reserves the right to amend or modify the Class and Subclass definitions
12 or add additional subclasses or limitations based on the results of discovery and litigation.

13 33. Plaintiff does not know the exact size or identities of the proposed Class and
14 Subclasses because that information is in the control of the defendant. But the Class and
15 Subclasses are plainly numerous. According to HCAI data, JMH reports over 85,000 patients
16 visited its Emergency Departments in 2021.⁴ Plaintiff alleges that JMH had a policy and
17 practice of routinely ordering the Service in connection with Emergency visits and that JMH
18 ordered and billed for the Service in connection with a substantial proportion of Emergency
19 visits.

20 34. Questions of law and fact common to all members of the Class predominate over
21 any questions affecting only individual members including, but not limited to, the following:

- 22 a. whether the JMH charges for the Service are unconscionable;
- 23 b. whether the JMH contract is an open price term contract under California
24 law;
- 25 c. whether JMH balanced billed insured Class members in violation of
26 California law;
- 27 d. what is the actual reasonable value of the Service;
- 28 e. whether JMH’s billing practices with respect to amounts billed for the
 Service violated the CLRA;
- f. whether JMH’s debt collection practices with respect to amounts billed

⁴ See <https://data.chhs.ca.gov/dataset/hospital-emergency-department-characteristics-by-facility-pivot-profile/resource/34bdefc5-8eab-462a-a717-46fbe03e031b>.

for the Service violated the Rosenthal Act;

g. whether JMH's subject billing and debt collections practices constituted unlawful, unfair, or fraudulent billing practices under the UCL; and

h. whether JMH's subject business practices can and should be enjoined.

35. The claims of the individual named Plaintiff are typical of the claims of the Class and do not conflict with the interests of any other members of the Class. Plaintiff and the other members of the Class all executed substantively identical contracts and were subjected to the same billing practices by JMH.

36. The individual named Plaintiff will fairly and adequately represent the interests of the Class. She is committed to the vigorous prosecution of the Class claims and has retained attorneys who are qualified to pursue this litigation and have substantial experience in class actions and the resources and expertise necessary to pursue this case on behalf of the Class.

37. A class action is superior to other methods for the fast and efficient adjudication of this controversy. A class action regarding the issues in this case does not create any problems of manageability.

38. In the alternative, the Defendants acted or refused to act on grounds generally applicable to the Class and Subclasses, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the Class and Subclasses as a whole.

**FIRST CAUSE OF ACTION
DECLARATORY RELIEF
(On Behalf of the Class and Subclasses)**

39. The preceding paragraphs are incorporated by reference.

40. Real and present controversies exists between Plaintiff and the Class, on the one hand, and Defendants, on the other, including: (a) whether the amounts that JMH bills for the Service is unconscionable under California law; (b) whether the form contract underlying the JMH bills (**Exhibit 1**) is an "open price term" contract under California law such that JMH is entitled only to the reasonable value of the Service (*see* Cal. Civ. Code § 1611); and (c) whether JMH "balance billed" Plaintiff and the Class for the Service within the meaning of California

1 law (*see Prospect Med. Grp.*, 45 Cal. 4th at 502). The actual reasonable value of the Service is
2 also in controversy depending on the outcome of those question.

3 41. Plaintiff alleges that the answer to each of the aforementioned questions is
4 affirmative: (a) the amount JMHI bills for the Service is unconscionable; (b) the contract is an
5 open price term contract such that JMHI is entitled only to the reasonable value of the Service;
6 and (c) JMHI is unlawfully balance billing its insured patients for the Service.

7 WHEREFORE, Plaintiff prays for judgment and relief as set forth below.

8
9 **SECOND CAUSE OF ACTION**
10 **CONSUMER LEGAL REMEDIES ACT**
11 **Cal. Civ. Code §§ 1750. *et seq.***
12 **(On Behalf of the Plaintiff and the Class)**

13 42. The preceding paragraphs are incorporated by reference.

14 43. The CLRA governs the transactions because JMHI provides the Service to
15 consumers, including Plaintiffs and the Class. *See* Cal. Civ. Code § 1761(b)-(e).

16 44. “Inserting an unconscionable provision in the contract” related to these
17 transactions is unlawful under the CLRA. *See* Cal. Civ. Code § 1770(a)(19).

18 45. JMHI violates the CLRA by inserting, or claiming to have inserted, an
19 unconscionable provision pertaining to its charges for the Service into its contracts with
20 consumers. *See id.*; *see also* **Exhibit 1**, ¶¶ 19-20 above. JMHI also violates the CLRA,
21 affirmatively, and by omission, by stating in its contract that it charges “regular rates” for the
22 Service because the statement is misleading in the absence of a communication explaining that
23 its so-called regular rate for the Service would so far exceed its value. *See* Cal. Civ. Code §
24 1770(a)(5) & (7); *see also* Cal. Civ. Code § 1710(3).

25 46. JMHI’s violations of the CLRA proximately caused injury in fact to Plaintiff and
26 the Class.

27 47. Pursuant to subsection 1782(d) of the CLRA, Plaintiff, individually and on
28 behalf of the Class, seeks a Court order enjoining the above-described CLRA violations and
providing for restitution and disgorgement.

1 48. Pursuant to subsection 1782(a) of the CLRA, Plaintiff, individually and on behalf
2 of the Class, notified JMH in writing by certified mail of the CLRA violations and demanded
3 that JMH rectify the violations. A copy of the letter is attached and incorporated as **Exhibit 6**.

4 49. If JMH fails to rectify, or agree to rectify, the violations pursuant to subsections
5 1782(b)-(c) of the CLRA, then Plaintiff will amend this complaint to add claims for actual,
6 punitive, and statutory damages as appropriate.

7 50. Pursuant to subsection 1780(d) of the CLRA an affidavit showing that this action
8 has been commenced in the proper forum is attached as **Exhibit 7**.

9 WHEREFORE, Plaintiff prays for judgment and relief as set forth below.

10
11 **THIRD CAUSE OF ACTION**
12 **ROSENTHAL FAIR DEBT COLLECTIONS PRACTICES ACT**
13 **Cal. Civ. Code §§ 1788, *et seq.***
 (On Behalf of the Unfair Debt Collection Subclass)

14 51. The preceding paragraphs are incorporated by reference.

15 52. JMH was a “debt collector” engaging in “debt collection” within the meaning for
16 the Rosenthal Act. *See* Cal. Civ. Code § 1788.2.

17 53. Under the Rosenthal Act, *inter alia*,

- 18 a. a “debt collector may not use any false, deceptive, or misleading
19 representation or means in connection with the collection of any debt”
(Cal. Civ. Code § 1788.17 (incorporating 15 U.S.C. § 1692e));
- 20 b. it is a violation to make any false representations regarding the character,
21 amount, and legal status of the alleged debt violates the Rosenthal Act (*see*
22 *id.*, § 1692e(2)(A));
- 23 c. a “debt collector may not use unfair or unconscionable means to collect or
24 attempt to collect any debt” (Cal. Civ. Code § 1788.17 (incorporating 15
U.S.C. § 1692f)); and
- 25 d. it is a violation to attempt to collect an amount that is not authorized by
26 the agreement creating the debt or permitted by law (*see id.* § 1692f(a)).

27 54. Defendants violated these provisions of the Rosenthal Act by, among other
28 things, seeking to collect an unlawful and invalid purported debts owed for the Service.

1 55. For these violations of the Rosenthal Act, JMH is liable to Plaintiff and the
2 Unfair Debt Collection Subclass for actual damages, statutory damages, the costs of the
3 action and reasonable attorney's fees. *See* Cal. Civ. Code § 1788.17 (incorporating 15
4 U.S.C. § 1692k).

5 WHEREFORE, Plaintiff prays for judgment and relief as set forth below.

6 **FOURTH CAUSE OF ACTION**
7 **UNFAIR COMPETITION LAW**
8 **CAL. BUS. & PROF. CODE §§ 17200 *ET SEQ.***
9 **(On Behalf of the Class and Subclasses)**

10 56. The preceding paragraphs are incorporated by reference.

11 57. The UCL prohibits "unlawful, unfair, or fraudulent" practices and
12 empowers courts to make such orders or judgments as may be necessary to prevent such
13 practices and to restore to any person in interest any money which may have been
14 acquired by such practices. *See* Cal. Bus. & Prof. Code §§ 17200, 17203.

15 58. JMH engaged in "unlawful" business practices within the meaning of the
16 UCL: Charging unconscionable amounts violates California law. *See* Cal. Civ. Code §
17 1670.5. Inserting unconscionable provisions in contracts violates California law. *See id.*;
18 Cal. Civ Code § 1770(a)(19). Balance billing Emergency patients for amounts that their
19 insurers refuse to pay violates California law. *See Prospect Med. Grp.*, 45 Cal. 4th at
20 502. Violating the CLRA and Rosenthal Act violates California law. Each of these
21 unlawful practices is an independent predicate supporting a UCL unlawful business
22 practices violation.

23 59. JMH engaged in "unfair" business practices within the meaning of the
24 UCL, because the subject business practices, whether technically unlawful or not, offend
25 the aforementioned public policies and are immoral, unethical, oppressive,
26 unscrupulous, and substantially injurious to consumers. Having no prices on the menu,
27 then presenting an astronomical bill, is a classic tourist scam. Further, under California
28 law, an open price term in a contract must be filled in by the party having discretion

1 within the standard of good faith and fair dealing. *See Cal. Lettuce Growers v. Union*
2 *Sugar Co.*, 45 Cal.2d 474, 484 (1955); *Lazar v. Hertz Corp.*, 143 Cal. App. 3d 128, 141
3 (1983). JMH's insertion of an unconscionable price in an open price term contract is an
4 unfair business practice.

5 60. JMH engaged in "fraudulent" business practices within the meaning of the
6 UCL, because the practice of billing an astronomical price for the Service is likely to
7 deceive any reasonable consumer. Specifically, the concept of deceit includes the failure
8 to affirmatively disclose a fact "by one who is bound to disclose it, *or who gives*
9 *information of other facts which are likely to mislead for want of communication of that*
10 *fact.*" Cal. Civ. Code § 1710(3) (emphasis added). A routine request to a patient for a
11 urine sample implies the absence of such a shocking charge unless the requestor advises
12 otherwise. The statement in the contract that JMH would charge "regular rates" is
13 misleading in the absence of a communication explaining that the regular rate for the
14 Service would so far exceed its value.
15

16 61. Plaintiff was injured in fact and lost money as a result of the UCL violations.
17 *See Moran v. Prime Healthcare Mgmt., Inc.*, 3 Cal. App. 5th 1131, 1143 (2016).

18 WHEREFORE, Plaintiff prays for judgment and relief as set forth below.

19 **DEMAND FOR JURY TRIAL**

20 Plaintiff requests a jury trial on all claims so triable.

21 **PRAYER FOR RELIEF**

22 Plaintiff prays for relief and judgment as follows:

23 A. An order certifying the proposed Class and Subclasses, appointing the
24 named Plaintiff as their representative, and appointing the law firms representing the
25 named Plaintiff as class counsel.

26 B. A declaration (1) that the price that JMH charges for the Service is and was
27 unconscionable and/or (2) that it charges the price pursuant to an open price term contract
28 and (3) establishing the fair value for the Service.

1 C. An injunctive order requiring JMH to (1) prospectively and retroactively
2 adjust the price of the Service to its fair value, (2) cease, desist, and rectify any
3 collections efforts or credit reporting exceeding that fair value, and (3) restore to each
4 member of the Class any monies that they paid to JMH above that far value.

5 D. An injunctive order requiring JMH to restore to each member of the
6 Balance Billing Subclass any monies that they paid to JMH.

7 E. Rosenthal Act statutory damages of \$500,000 for the Unfair Debt
8 Collection Subclass. *See* Cal. Civ. Code § 1788.17 (incorporating 15 U.S.C. § 1692k).
9

10 F. Attorneys' fees, costs, and expenses pursuant to section 1021.5 of the
11 California Code of Civil Procedure and the fee shifting provisions of the CLRA and
12 Rosenthal Act.

13 G. Such other and further relief as the Court may deem proper.

14
15 DATE: October 4, 2022

Respectfully submitted,

16 HAGENS BERMAN SOBOL SHAPIRO LLP

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27 *Attorneys for Plaintiff* SAVANNAH THOMPSON
28 for herself and persons similarly situated

EXHIBIT 1



1. Legal Relationship Between Facility and Physician: The undersigned recognizes that any and all physicians and/or surgeons, including but not limited to radiologists, pathologists, anesthesiologists and emergency room physicians furnishing services to the patient at the Facility are independent contractors, and are not, in any way, employees of the Facility. *Their fees are not included as a part of the Facility bill.*

2. Release of Information for Reimbursement: To the extent necessary to obtain reimbursement, the Facility may disclose any portion of the patient's record, including his/her medical records, to any party the patient has identified as liable for any portion of the Facility's charges, including but not limited to, insurance companies, healthcare service plans, workers' compensation carriers, social security administration and peer review organizations. You agree, in order for us to service our account or to collect any amounts you may owe, we may contact you by telephone at any telephone number associated with your account, including wireless telephone numbers, which could result in charges to you. We may also contact you by sending text messages or e-mails, using any e-mail address you provide to us. Methods of contact may include using pre-recorded/artificial voice messages and/or use of an automatic dialing device, as applicable.

The undersigned have read this disclosure and agree that the Lender/Creditor and its agents may contact me/us as described above.

3. Financial Agreement: The undersigned agrees, whether he/she signs as agent or as patient, that in consideration of the services to be rendered to the patient, he/she hereby individually obligates himself/herself to pay the account of the Facility in accordance with the regular rates and terms of the Facility. Should the account be referred to an attorney or collection agency for collection, the undersigned shall pay actual attorneys' fees and collection expenses. All delinquent accounts shall bear interest at the legal rate.

4. Assignment of Insurance Benefits: The undersigned authorizes, whether he/she signs as agent or as patient, direct payment to the Facility of any insurance benefits otherwise payable to the undersigned for services rendered at a rate not to exceed the Facility's usual and customary charges. It is agreed that payment to the Facility, pursuant to this authorization, by an insurance company/Health Care Service Plan shall discharge said insurance company/Health Care Service Plan of any and all obligations under a policy to the extent of such payment. It is understood by the undersigned that he/she is financially responsible for charges not covered by this assignment, or for not cooperating with requests for information by the insurance company/Health Care Service Plan.

5. Health Care Service Plans: The Facility has contracted with multiple Health Care Service Plans. It is the undersigned's responsibility to know and verify if the benefits contained in the insurance plan agreed to between the undersigned and his/her Health Care Service Plan limit, reduce or deny coverage of medical services at the Facility. It is also the responsibility of the undersigned to verify if the Facility is within their covered Network

Initials

The undersigned agrees that he/she is obligated to reimburse the Facility for any deductible, co-payments, coverage penalties, or for any service rendered which is not a covered benefit of his/her Health Care Service Plan at the Facility. For non-emergency services, it is the patient's responsibility to ensure his/her Plan has authorized the requested services at the Facility. The undersigned agrees that denial of payment for lack of an authorization for non-emergent services will be considered a denial for a non-covered benefit, and payable by the undersigned.

☐ Unable to sign

The undersigned acknowledges he/she has read and understands the Financial Agreement, Assignment of Insurance Benefits, Health Care Service Plan obligation and all other applicable provisions above and received a copy thereof, and is the patient, the patient's legal representative or is duly authorized as the patient's general agent to execute the above and accept its terms.

SIGNATURE: PATIENT, LEGAL REPRESENTATIVE, AGENT

DATE/TIME

RELATIONSHIP IF NOT PATIENT

WITNESS

☐ Unable to sign

Financial Responsibility Agreement by Person Other than the Patient or the Patient's Legal Representative: I agree to accept financial responsibility for services rendered to the patient and to accept the terms of the Financial Agreement, Assignment of Insurance Benefits, Health Care Service Plan obligation, and all other applicable provisions above.

☐ Unable to sign

FINANCIALLY RESPONSIBLE PARTY

DATE/TIME

WITNESS

ADMIT-11 (1/17/19)



FINANCIAL AGREEMENT

Thompson, Savannah Sex: female
MRN: 21576471 DOB: 5/6/1996 (26 yrs)
Admit Time: 6/14/2022 0015
Attending Prov: No att. providers found
CSN:2097725840



EXHIBIT 2

Primary Insurance Updates

Primary Insured Name

Primary Insurance Name

Effective Date

Primary Insurance Street Address

City

State

ZIP

Telephone

Employer Name

Group Number

Subscriber ID #

Policyholder's Date of Birth

Secondary Insurance Updates

Secondary Insured Name

Secondary Insurance Name

Effective Date

Secondary Insurance Street Address

City

State

ZIP

Telephone

Employer Name

Group Number

Subscriber ID #

Policyholder's Date of Birth

Change of Address

Name (Last, First, Middle Initial)

Address

City

State

ZIP

Telephone

If you have a change of address please check the box on the front of the statement.

General Information

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This program pays all or part of your hospital bills. Qualification for the program, as well as the amount covered, is based on your household income and other factors. Our program is designed to aid uninsured patients who need assistance in meeting the cost of their medical care incurred at one of our hospitals. To obtain an application, please call (925) 947-3336 or visit johnmuirhealth.com/patienthelp.

Insurance Claims

As a courtesy, John Muir Health files claims directly to your insurance company. Please be sure to present your current insurance card(s) at each appointment to ensure we have accurate information on your account. It is your responsibility to verify your benefits and provider and facility network coverage. If you have questions about how your insurance benefits were determined please contact your insurance company directly at the number on the back of your card(s).

Eligibility Services

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Bill Payment

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Consumer Notice: State and Federal law require debt collectors to treat you fairly and prohibit them from making false statements, threats, using profane or obscene language, or have improper communications with third parties including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00am or after 8:00 pm. In general, a debt collector may not give information about your debt to another person other than an attorney or spouse but may contact another person to confirm your location or to enforce a judgement. For additional information, please contact the Federal Trade Commission at 877.FTC.HELP or online at: www.ftc.gov. Non-profit credit counseling services may be available in the area.



Thank you for choosing John Muir Health for your health care needs.

Follow us on



EXHIBIT 3

John Muir Health
Department 36005
P.O. Box 39000
San Francisco, CA 94139



07/12/10 09:30 3 0000010 20220801 SH06P101 ZIR-LTJM 1 oz DOM SH06P10000* 159988 JM



8/1/2022

SAVANNAH JUNE THOMPSON
235 CAMELBACK RD APT 234
PLEASANT HILL CA 94523-1445



Guarantor ID: 1928550

Visit Coverages:

Kaiser - Kaiser

This is an itemization of your services for:

Patient: Thompson, Savannah June
Account: 12944613

Admission Date: 06/14/22
Discharge Date: 06/14/22

Current Account Balance: \$7,084.57

Discharge Location: JMH WALNUT CREEK HOSPITAL
Discharge Department: WC EMERGENCY

Hospital Charges

Svc Dt	Rev Code	CPT/HCP CS/Proc Code	Description	Qty	Amount
06/14/22	0301	80053	LAB COMP. METABOLIC PANEL	1	\$1,691.71
06/14/22	0301	80307	LAB DRUG SCREEN-URINE	1	\$6,095.70
06/14/22	0301	80320	LAB ALCOHOL (ETHYL) LEVEL	1	\$503.03
06/14/22	0305	85025	LAB CBC W/AUTO DIFF	1	\$358.55
06/14/22	0306	87086	LAB CULTURE, URINE	1	\$749.64
06/14/22	0307	81001	LAB UA W MICROSCOPIC(C&S IF INDICATD)	1	\$359.14

Please call the following number if you have questions regarding this document.
Phone: (866) 751-2459

Concord
Walnut Creek
Physician Network
1928550 Savannah
June Thompson
1 of 2

Tax ID #: 68-0396600
Tax ID #: 94-1461843
Tax ID #: 68-0360801

Home Health
Behavioral Health

Tax ID #: 94-1461843
Tax ID #: 68-0249685



Svc Dt	Rev Code	CPT/HCP CS/Proc Code	Description	Qty	Amount
06/14/22	0450	96361	HC INFUSION HYDRATION EA ADD HR	2	\$1,904.50
06/14/22	0450	96374	HC INJECTION IV PUSH INITIAL	1	\$944.75
06/14/22	0450	99283	HC ER-LEVEL 003 W/PROCEDURE	1	\$3,033.00
06/14/22	0636	J2310	NALOXONE PER 1 MG	1	\$145.00
06/14/22	0636	J7030	SODIUM CHLORIDE 0.9% 0.9 % SOLN	1	\$15.70
06/14/22	0730	93005	HC EKG COMPLETE	1	\$467.00
			Total Charges		\$16,267.72

Hospital Payments and Adjustments

Date	Description	Amount
06/30/22	Kaiser Payments	(\$6,092.30)
	Deductible: \$2,100.00	
	Coinsurance: \$4,984.57	
06/30/22	Kaiser Adjustments	(\$3,090.85)
	Total Insurance Payments and Adjustments	(\$9,183.15)

EXHIBIT 4

ACTION REQUIRED

- i** Billing questions or changes of insurance?
Call 866.751.2459
Office Hours: Monday-Friday 8:00 am - 5:00 pm
- ☐ Check if address/insurance changes on back

Addressee


Savannah June Thompson
235 CAMELBACK RD APT 234
PLEASANT HILL CA 94523-1445

Page 1 of 1



Make a One-Time Online Payment at:
www.johnmuirhealth.com/mychart

Guarantor Number

1928550

Due Date

08/17/2022

Amount Due

\$7,095.82

Amount Paid

\$

Please make checks payable and remit to:


JOHN MUIR HEALTH
DEPT 36005
PO BOX 39000
SAN FRANCISCO CA 94139-0001

072822 00001928550 6 0000709582 8

Please detach and return top portion with payment.

Guarantor Number	Guarantor Name	Statement Date	Due Date
1928550	SAVANNAH JUNE THOMPSON	07/28/2022	08/17/2022

Date	Service Description	Status	Charges	Payments/ Adjustments	Patient Balance
Hospital Services					
	Savannah June Thompson <i>Loc: John Muir Medical Center, Walnut Creek</i> Account #: 12944613 6/14/2022-6/14/2022 Balance Forward		\$7,084.57		
	Account Balance	Current			\$7,084.57
Clinic Services					
06/14/2022	Savannah June Thompson <i>Provider: Michael Brown, MD</i> Visit #: 12944618				
06/14/2022	Electrocardiogram Report		\$25.00		
07/25/2022	Kaiser Payment			-\$13.75	
	Visit Balance	Current			\$11.25

12 Month Interest Free Payment Plans

Need a little more time to pay? Call
866.751.2459 to arrange one today.


MyChart Access Code

Go to <https://www.johnmuirhealth.com/mychart/>
to register now with the Access Code:
XR2MP-5BS3F-F8VMJ

AMOUNT DUE: \$7,095.82

Primary Insurance Updates

Primary Insured Name			
Primary Insurance Name		Effective Date	
Primary Insurance Street Address			
City	State	ZIP	Telephone
Employer Name		Group Number	
Subscriber ID #		Policyholder's Date of Birth	

Secondary Insurance Updates

Secondary Insured Name			
Secondary Insurance Name		Effective Date	
Secondary Insurance Street Address			
City	State	ZIP	Telephone
Employer Name		Group Number	
Subscriber ID #		Policyholder's Date of Birth	

Change of Address

Name (Last, First, Middle Initial)			Address	
City	State	ZIP	Telephone	

If you have a change of address please check the box on the front of the statement.

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Thank you for choosing John Muir Health for your health care needs.

Follow us on



EXHIBIT 5

ACTION REQUIRED

-  Billing questions or changes of insurance?
Call 866.751.2459
Office Hours: Monday-Friday 8:00 am - 5:00 pm
- ☐ Check if address/insurance changes on back

Addressee


Savannah June Thompson
235 CAMELBACK RD APT 234
PLEASANT HILL CA 94523-1445

Page 1 of 1



Make a One-Time Online Payment at:
www.johnmuirhealth.com/mychart

Guarantor Number

1928550

Due Date

Upon Receipt

Amount Due

\$7,095.82

Amount Paid

\$

Please make checks payable and remit to:



JOHN MUIR HEALTH
DEPT 36005
PO BOX 39000
SAN FRANCISCO CA 94139-0001

082522 00001928550 6 0000709582 8

Please detach and return top portion with payment.

Guarantor Number	Guarantor Name	Statement Date	Due Date
1928550	SAVANNAH JUNE THOMPSON	08/25/2022	Upon Receipt

Date	Service Description	Status	Charges	Payments/ Adjustments	Patient Balance
Hospital Services					
	Savannah June Thompson <i>Loc: John Muir Medical Center, Walnut Creek</i> Account #: 12944613 6/14/2022-6/14/2022 Balance Forward		\$7,084.57		
	Account Balance	Current			\$7,084.57
Clinic Services					
06/14/2022	Savannah June Thompson <i>Provider: Michael Brown, MD</i> Visit #: 12944618 Balance Forward		\$11.25		
06/14/2022	Visit Balance	Current			\$11.25


Account Status – Past Due

The balance above is your responsibility and past due; we must request your payment in full. We appreciate your prompt attention to this matter by sending us your payment today. Please contact our Customer Service Department if you have questions.

STATEMENT SUMMARY

Total Charges:\$7,095.82
Insurance Payments/Adjustments:.....\$0.00
Patient Payments/Adjustments:\$0.00

AMOUNT DUE: \$7,095.82

Primary Insurance Updates

Primary Insured Name			
Primary Insurance Name		Effective Date	
Primary Insurance Street Address			
City	State	ZIP	Telephone
Employer Name		Group Number	
Subscriber ID #		Policyholder's Date of Birth	

Secondary Insurance Updates

Secondary Insured Name			
Secondary Insurance Name		Effective Date	
Secondary Insurance Street Address			
City	State	ZIP	Telephone
Employer Name		Group Number	
Subscriber ID #		Policyholder's Date of Birth	

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Thank you for choosing John Muir Health for your health care needs.

Follow us on



EXHIBIT 6



HAGENS BERMAN

Thomas E. Loeser
HAGENS BERMAN SOBOL SHAPIRO LLP
1301 SECOND AVENUE, SUITE 2000
SEATTLE, WA 98101
www.hbsslaw.com
Direct (206) 268-9337
toml@hbsslaw.com

September 29, 2022

**VIA CERTIFIED MAIL,
RETURN RECEIPT REQUESTED**

Att: Calvin Knight (CEO)
JOHN MUIR HEALTH
1400 Treat Boulevard
Walnut Creek, CA 94597

Re: *Savannah Thompson v. John Muir Health*
CONSUMER LEGAL REMEDIES ACT
NOTICE OF VIOLATION AND DEMAND FOR CURE

Dear John Muir Health:

This law firm and the Law Office of Peter Fredman PC represent Savannah Thompson and a putative class of similarly situated California residents challenging the John Muir Health (“JMH”) practice of charging unconscionable amounts for routine urine drug screenings. A copy of the complaint that we intend to file on behalf of Ms. Thompson and the putative class is enclosed herewith.

As indicated, the specific drug screening at issue is identified as Current Procedural Technology (“CPT”) Code 80307, “LAB DRUG SCREEN URINE” (JMH charge code 30100463) (hereafter, the “Service”). You charged Ms. Thompson \$6,095.70 for the Service, which you undertook in connection with her visit to the JHM Walnut Creek Emergency Department (“Emergency”) on June 14, 2022. You have been trying to collect the charge since then, and recently notified her that her account was past due. This notifies you that Ms. Thompson objects that your charges and billing practices related to the Service are unconscionable and unlawful as set forth in the complaint. Among other things, your practices violate California’s Consumer Legal Remedies Act, Cal. Civ. Code §§ 1750, *et seq.* (“CLRA”).

This letter is Ms. Thompson’s notice of the CLRA violation(s) and demand for cure pursuant to subsection 1782(a) of the CLRA. *See* Cal. Civ. Code § 1782(a).

Specifically, under section 1770, the following are unlawful acts and practices under the CLRA:

(5) Representing that ... services have ... characteristics ... that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that the person does not have.

(7) Representing that ... services are of a particular standard, quality, or grade ... if they are of another.

(19) Inserting an unconscionable provision in the contract.

Cal. Civ. Code § 1770.

As further detailed in the enclosed complaint, JMH violates subsection 1770(a)(19) of the CLRA by inserting, or claiming to have inserted, into its contracts with consumers an unconscionable provision purportedly authorizing its unconscionable charge for the Service. We contend that JMH further violates subsections 1770(a)(5) and 1770(a)(7) of the CLRA, affirmatively, and by omission, by representing in the contract that it charges “regular rates” for the Service. The representation is misleading in the absence of a communication explaining that JHM’s so-called regular rate for the Service so far exceed its value, and thus violates. *See, e.g.*, Cal. Civ. Code § 1710(3).

Pursuant to subsection 1782(a) of the CLRA, we hereby demand on behalf of our client and the putative Class that, within 30 days of this notice, JMH cease and remedy the CLRA violations, or expressly agree to do so within a reasonable amount of time. The appropriate remedy would include ceasing the practice of billing the unconscionable amount for the Service, retrospectively and prospectively reducing your charge for the Service to a reasonable amount, refunding any amounts paid to you for the Service above that reasonable amount in the prior four years, and revising any ongoing billings and collections efforts for the Service to include only that reasonable amount. *See* Cal. Civ. Code § 1782(a) & (c).

If an adequate response is not received within 30 days from the date of this notice, pursuant to subsection 1782(d) of the CLRA, we will amend the complaint to include a request for damages, including actual and punitive damages pursuant to subsection 1780(a) of the CLRA as may be appropriate.

John Muir Health
Consumer Legal Remedies Act
Notice and Demand for Cure
Page 3

Thank you for your prompt attention to this matter. Do not hesitate to contact me if you have any questions or seek our assistance in fashioning a cure.

Sincerely,

HAGENS BERMAN SOBOL SHAPIRO LLP

A handwritten signature in black ink, appearing to read "Thomas E. Loeser", with a long horizontal flourish extending to the right.

Thomas E. Loeser

TEL:cf
cc: Peter Fredman

EXHIBIT 7

Thomas E. Loeser (SBN 202724)
HAGENS BERMAN SOBOL SHAPIRO LLP
1301 Second Avenue, Suite 2000
Seattle, WA 9810
Tel: (206) 623-7292
Fax: (206) 623-0594
toml@hbsslaw.com

Peter B. Fredman (SBN 189097)
LAW OFFICE OF PETER FREDMAN PC
2930 Domingo Ave, #227
Berkeley, CA 94705
Tel: (510) 868-2626
Fax: (510) 868-2627
peter@peterfredmanlaw.com

Attorneys for Plaintiff SAVANNAH THOMPSON
for herself and persons similarly situated

SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA
UNLIMITED JURISDICTION

SAVANNAH THOMPSON, individually, and on behalf of others similarly situated,)	Case No.
Plaintiffs,		<u>CLASS ACTION</u>
v.)	DECLARATION OF SAVANNAH THOMPSON RE: CLRA VENUE
JOHN MUIR HEALTH, a California corporation, and DOES 1-100, inclusive,		
Defendants.)	

I, Savannah Thompson, hereby declare and state as follows:

1. I am a Plaintiff in the above-captioned action. Pursuant to Cal. Civ. Code § 1780(d), I make this declaration in support of the Class Action Complaint and the claim

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2. This action for relief under Cal. Civ. Code § 1780(a) has been commenced in a county that is a proper place for trial of this action because Defendant John Muir Health has its principal place of business in Walnut Creek, which falls within the jurisdiction of the Superior Court of California for the County of Contra Costa; the case arises out of a visit by Plaintiff to John Muir Walnut Creek Emergency Department; and the Plaintiff resides and receives bills in Pleasant Hill.

This declaration is signed under penalty of perjury under the laws of the State of California this 29th day of September, 2022.


Savannah Thompson